

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

INCOME TAX REFERENCE NO.590 OF 1998

The Commissioner of Income-tax ..Applicant.

V/s.

M/s. L.P. Gas Equipments Pvt.Ltd. ..Respondent.

Mr.A.S.Rao for applicant.

**CORAM : V.C. DAGA AND
J.P.DEVADHAR, JJ.**

DATED : 28TH MARCH, 2005.

P.C. :-

1. Heard the learned counsel for the applicant.
The Tribunal has referred question for the opinion of this
Court reading as under :-

" Whether, on the facts and in the circumstances of the case, the Tribunal was right in holding that the subsidy received by the assessee under the Central Investment Subsidy Scheme should not be deducted from the cost of the assets for determining their actual cost within the meaning of section 43(1) of the I.T. Act, 1961, for the purpose of computing the quantum of depreciation and investment allowance allowable to the assessee ? "

2. The above question has already been answered by the Apex Court in the case of **C.I.T. V/s. P.J. Chemicals Ltd. [(1994) 210 I.T.R. 830 (S.C.)** in the affirmative i.e. in favour of the assessee and against the revenue. In this view of the matter, reference stands disposed of in terms of that Judgment with no order as to costs.

(V.C. DAGA, J.)

(J.P.DEVADHAR, J.)

